

Memo



Metro

600 NE Grand Ave.
Portland, OR 97232-2736

Date: February 20, 2020
To: Metro Council and Interested Parties
From: Ken Lobeck, Funding Programs Lead, 503-797-1785
Subject: February 2020 MTIP Formal Amendment & Resolution 20-5076 Approval Request
Adding TriMet's Preliminary Engineering phase Programming for the Southwest Corridor Light Rail Project

FORMAL AMENDMENT STAFF REPORT

FOR THE PURPOSE OF ADDING A NEW PROJECT TO THE 2018-21 METROPOLITAN TRANSPORTATION IMPROVEMENT PROGRAM SUPPORTING PROJECT DEVELOPMENT ACTIVITIES FOR TRIMET'S NEW SOUTHWEST CORRIDOR LIGHT RAIL PROJECT (FB20-08-FEB)

BACKGROUND

What This Is:

The February 2020 Formal Metropolitan Transportation Improvement Program (MTIP) Formal/Full Amendment programs TriMet's Preliminary Engineering phase consisting of project development activities for the Southwest Corridor Light Rail project through approval of Resolution 20-5076.

What is the requested action?

JPACT requests Metro Council approve Resolution 20-5076 to add the new Preliminary Engineering phase for the Southwest Corridor Light Rail project enabling the project to be amended correctly into the 2018 MTIP with final approval to occur from USDOT.

Proposed February 2020 Formal Amendment Bundle Amendment Type: Formal/Full Amendment #: FB20-08-FEB Total Number of Projects: 1					
ODOT Key #	MTIP ID #	Lead Agency	Project Name	Project Description	Description of Changes
Project #1 Key TBD New Project	TBD	TriMet	Southwest Corridor Light Rail Project Development	Implement project development actions to complete NEPA environmental, final Local preferred alternative, design, and costs for the SW Corridor Light Rail project	<u>ADD NEW PROJECT:</u> The formal amendment adds the Preliminary Engineering (PE) phase consisting of project development scope of work activities for the Southwest Corridor Light Rail project

TPAC Discussion and Requested Adjustments (as of Friday, February 7, 2020):

TPAC member support the Resolution 20-5076 that will add \$21.8 million of TriMet local funds to establish the TriMet Southwest Corridor Light Rail Line project in the MTIP. The amendment reflects the project moving out of “planning” and beginning its trek through the federal implementation and delivery process. However, through a friendly amendment to the staff approval recommendation TPAC requested additional employment and economic clarification statements added to draft Resolution 20-5076. Staff does not object and supports TPAC request. Below is a summary of adjustments made to draft Resolution 20-5076:

- Corrects the projected average weekday ridership number from ~~43,000~~ to **37,500**.
- Adds the following economic and employment reference statements to draft Resolution 20-5076:
 - **WHEREAS, the Southwest Corridor Light Rail Line will expand multi-modal commuting alternatives to the personal vehicle and help to keep shorter commuting times and lower congestion cost to Tigard and Tualatin residents for an area that is projected to grow by 75,000 residents and create 65,000 new jobs by 2035; and**
 - **WHEREAS, the Southwest Corridor Light Rail Project will contribute to the local economy during and after construction with the project expecting to bring nearly \$1.3 billion in Federal matching funds, generating over 20,000 jobs, and with MAX costs less to operate per ride than buses, making the Southwest Corridor Light Rail Project Line an economically sustainable investment; and**
- Adds a clarifying financial statement to the draft Resolution as follows:
 - **WHEREAS, with the expected approval by the Federal Transit Administration (FTA), these funds will be eligible for use toward required local match for federal New Starts funding on the project; and**

Second, Metro received a formal comment from TriMet requesting minor clarification updates to the staff report. They have been incorporated where feasible throughout the staff report.

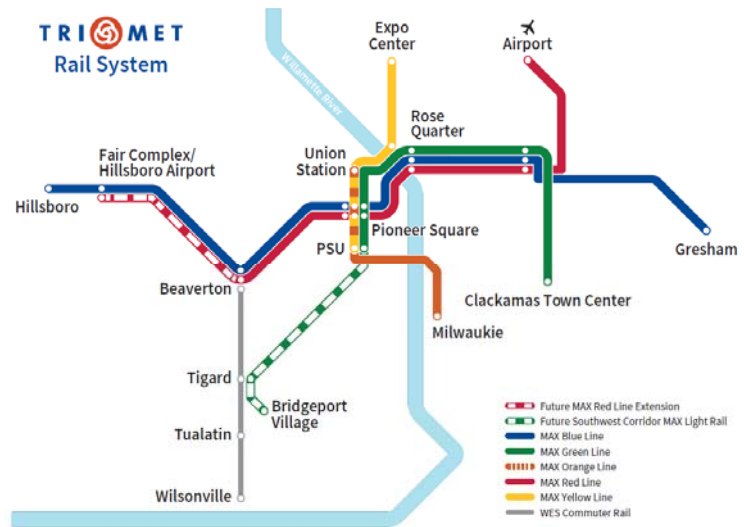
A detailed summary of the new proposed amended project is provided below.

Project 1: Southwest Corridor Light Rail Project Development (New Project)	
Lead Agency:	TriMet
ODOT Key Number:	TBD
	MTIP ID Number: TBD
Projects Description:	Project Snapshot: <ul style="list-style-type: none"> • Proposed improvements: By programming the PE phase of the Southwest Corridor Light Rail Line, TriMet will implement project development actions to complete the NEPA process, approve and adopt the LPA, complete up to 30% design and complete materials necessary to move into the FTA New Starts program Engineering phase (PS&E completion by Summer 2021). • Source: New project to the MTIP • Funding:

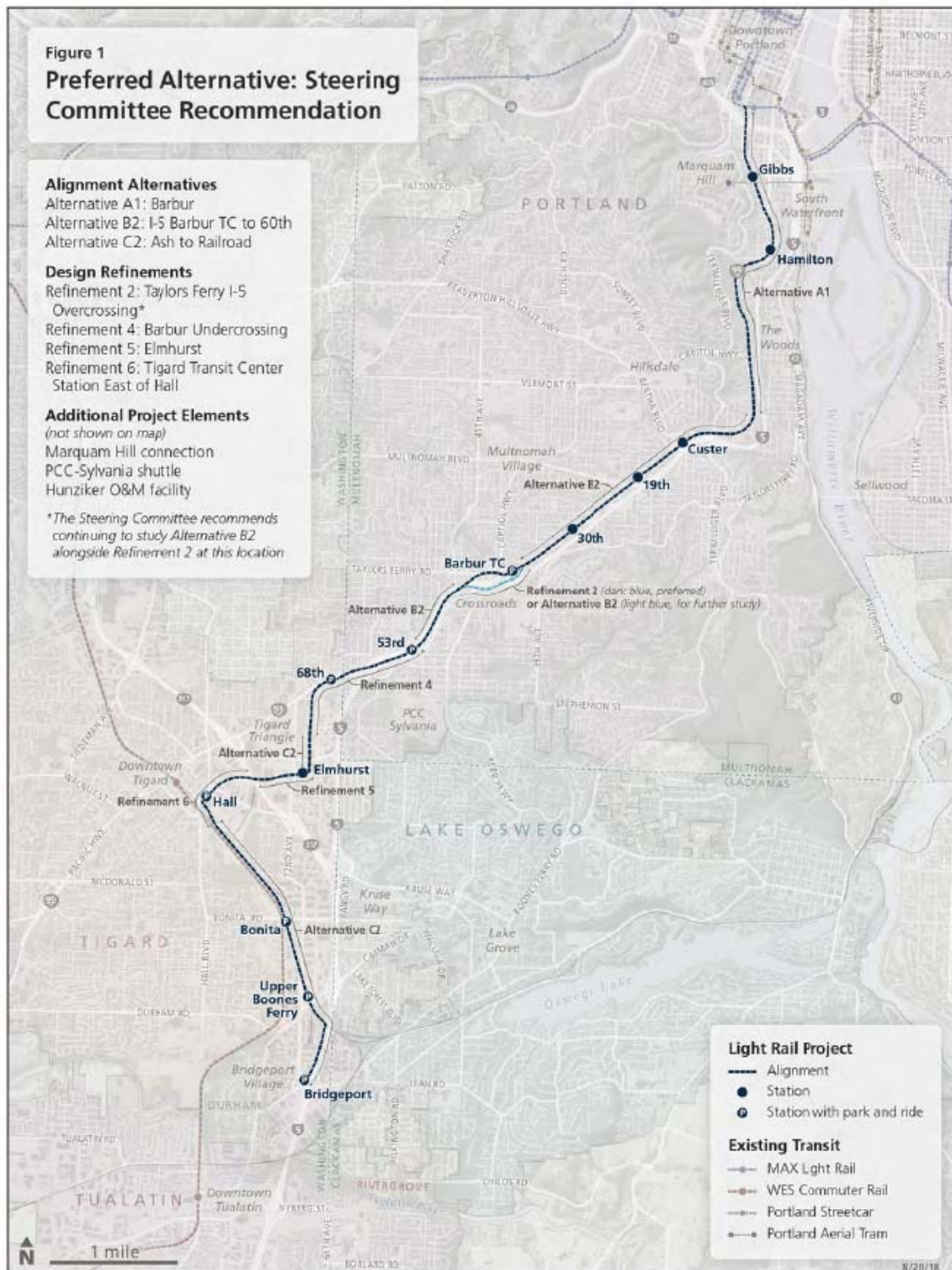
	<p>The source of funding for project development activities being programmed in the PE phase through this amendment are TriMet local funds. The total project funding composition is projected to be a mixture of federal (FTA New Starts, possible additional Metro committed federal funds), State funds, and local funds.</p> <ul style="list-style-type: none"> - Added note: Pre –NEPA project development work (e.g. to identify the Local preferred alignment) has resulted in the commitment of federal and local funds in support of this effort. - The Southwest Corridor Light Rail Line project has been considered a federalized project will continue to be a federalized project. <ul style="list-style-type: none"> • Project Type: Transit (multi-modal improvements to also include bicycle and pedestrian improvements) • Location: Local Preferred Alignment: In the southwestern Portland region from downtown Portland to Bridgeport Village north of Tualatin reflecting a 12 mile MAX line extension from downtown Portland through southwest Portland to Tualatin via Tigard • Cross Street Limits: N/A • Overall Mile Post Limits: N/A • Current Status Code: = Transit status “T21” = Identified in Transit Plan and approved by Board. Moving forward to program in MTIP • STIP Amendment Number: TBD • MTIP Amendment Number: FB20-08-FEB
What is changing?	<p>AMENDMENT ACTION: ADD NEW PROJECT</p> <p>The formal amendment adds only the Preliminary Engineering (PE) phase funding supporting project development activities for the Southwest Corridor Light Rail project. While the project reflects an extension of the Green MAX line, the MTIP programming rules considers the Southwest Corridor Light Rail Line to be a new project that is beginning to proceed through the federal implementation and delivery process. The new project will be a stand-alone project in the MTIP reflecting the first implementation step. Therefore, both MTIP and the draft resolution refer the project as a “new” project.</p> <p>The major project development scope elements of the PE phase are to:</p> <ul style="list-style-type: none"> • Complete the environmental process by publishing a Final Environmental Impact Statement (FEIS) and subsequent issuance of the Record of Decision (ROD). • Finish evaluation of the Local Preferred Alternative to select the project’s Final Preferred Alternative: <ul style="list-style-type: none"> - The Local Preferred Alternative for SW Corridor was approved by Metro Council 11/15/18 and adopted into the constrained 2018 Regional Transportation Plan which was adopted by Council on 12/6/18.

	<ul style="list-style-type: none"> • Complete the preliminary design package up to a 30% level of design and engineering and develop project cost estimates. <ul style="list-style-type: none"> - The 30% level of engineering is scheduled to be completed in September 2020 with cost estimates completed in October 2020. - Proceed into Final Engineering phase of the New Starts Process (final design and PS&E) in 2021. • Prepare materials necessary for a New Starts Rating. This includes cost estimates, completion of the Standard Cost Category spreadsheets, finance plan, ridership estimates and project justification materials. <ul style="list-style-type: none"> - The project has a target schedule to submit materials for a New Starts Rating in November 2020. • The project must complete the deliverables necessary to request and receive entry into the Engineering Phase of the FTA New Starts Process <ul style="list-style-type: none"> - The project is scheduled to begin the process necessary to gain entry into the Engineering phase in fall 2020. One requirement for entry into Engineering is securing commitment for 30% of the non-Capital Investment Grant funds. The commitment of these funds is anticipated to be made by the Regional Transportation Funding Measure that is assumed to be voted on November 3, 2020.
Additional Details:	<p>The estimated project development cost within the PE phase is approximately \$50 million. The remaining local funds will be added to the project through a later amendment. The cost to complete final engineering will be on top of the project development costs and added later</p> <p>The total estimated cost to construct the Southwest Corridor Light Rail Line project is \$2.85 billion dollars.</p> <p>The summary estimated schedule for the project is as follows:</p> <ul style="list-style-type: none"> • The project formally entered the FTA New Starts Project Development on February 13, 2019. • Final project engineering (completion of PS&E) will move forward around February/March 2021. • Once NEPA is completed and the Record of Decision (ROD) for the Final Environmental Impact Statement obtained (expected around July 2020), Right of Way (ROW) activities are allowed to begin under pre-award authority. • Utility Relocation actions are assumed to begin about December 2021. • The Construction phase actions are scheduled to occur from September 2021 through January 2027. • The Southwest Corridor MAX Rail Line is estimated to be ready for revenue services in the fall of 2027.
Why a Formal amendment is required?	Per the FHWA/FTA/ODOT/MPO approved Amendment Matrix, adding a new project to the MTIP requires a formal/full amendment.

Total Programmed Amount:	Only partial PE is being programmed through this amendment. The remaining PE funding will be added to the project through a later amendment. The Southwest Corridor Light Rail project is estimated to cost \$2.85B which includes vehicles, construction, ROW, staffing, interim borrowing, contingency and inflation.
Added Notes:	TriMet will be the lead agency to implement and delivery the project through all remaining phases (PE trough Construction and into Revenue service.)



Project Location Map



Note: The Amendment Matrix located on the next page is included as a reference for the rules and justifications governing Formal Amendments and Administrative Modifications to the MTIP that the MPOs and ODOT must follow.

METRO REQUIRED PROJECT AMENDMENT REVIEWS

In accordance with 23 CFR 450.316-328, Metro is responsible for reviewing and ensuring MTIP amendments comply with all federal programming requirements. Each project and their requested changes are evaluated against multiple MTIP programming review factors that originate from 23 CFR 450.316-328. The programming factors include:

- Verification as required to programmed in the MTIP:
 - Awarded federal funds and is considered a transportation project
 - Identified as a regionally significant project.
 - Identified on and impacts Metro transportation modeling networks.
 - Requires any sort of federal approvals which the MTIP is involved.
- Passes fiscal constraint verification:
 - Project eligibility for the use of the funds
 - Proof and verification of funding commitment
 - Requires the MPO to establish a documented process proving MTIP programming does not exceed the allocated funding for each year of the four year MTIP and for all funds identified in the MTIP.
- Passes the RTP consistency review:
 - Identified in the current approved constrained RTP either as a stand- alone project or in an approved project grouping bucket
 - RTP project cost consistent with requested programming amount in the MTIP
 - If a capacity enhancing project – is identified in the approved Metro modeling network
- Satisfies RTP goals and strategies consistency: Meets one or more goals or strategies identified in the current RTP.
- If not directly identified in the RTP's constrained project list, the project is verified to be part of the MPO's annual Unified Planning Work Program (UPWP) if federally funded and a regionally significant planning study that addresses RTP goals and strategies and/or will contribute or impact RTP performance measure targets.
- Determined the project is eligible to be added to the MTIP, or can be legally amended as required without violating provisions of 23 CFR450.300-338 either as a formal Amendment or administrative modification:

ODOT-FTA-FHWA Amendment Matrix	
Type of Change	
FULL AMENDMENTS	
1. Adding or cancelling a federally funded, and regionally significant project to the STIP and state funded projects which will potentially be federalized	
2. Major change in project scope. Major scope change includes:	
• Change in project termini - greater than .25 mile in any direction	
• Changes to the approved environmental footprint	
• Impacts to AQ conformity	
• Adding capacity per FHWA Standards	
• Adding or deleting worktype	
3. Changes in Fiscal Constraint by the following criteria:	
• FHWA project cost increase/decrease:	
• Projects under \$500K – increase/decrease over 50%	
• Projects \$500K to \$1M – increase/decrease over 30%	
• Projects \$1M and over – increase/decrease over 20%	
• All FTA project changes – increase/decrease over 30%	
4. Adding an emergency relief permanent repair project that involves substantial change in function and location.	
ADMINISTRATIVE/TECHNICAL ADJUSTMENTS	
1. Advancing or Slipping an approved project/phase within the current STIP (If slipping outside current STIP, see Full Amendments #2)	
2. Adding or deleting any phase (except CN) of an approved project below Full Amendment #3	
3. Combining two or more approved projects into one or splitting an approved project into two or more, or splitting part of an approved project to a new one.	
4. Splitting a new project out of an approved program-specific pool of funds (but not reserves for future projects) or adding funds to an existing project from a bucket or reserve if the project was selected through a specific process (i.e. ARTS, Local Bridge...)	
5. Minor technical corrections to make the printed STIP consistent with prior approvals, such as typos or missing data.	
6. Changing name of project due to change in scope, combining or splitting of projects, or to better conform to naming convention. (For major change in scope, see Full Amendments #2)	
7. Adding a temporary emergency repair and relief project that does not involve substantial change in function and location.	

- Does not violate supplemental directive guidance from FHWA/FTA's approved Amendment Matrix.
- Adheres to conditions and limitation for completing technical corrections, administrative modifications, or formal amendments in the MTIP.
- Is eligible for special programming exceptions periodically negotiated with USDOT as well.
- Programming determined to be reasonable of phase obligation timing and is consistent with project delivery schedule timing.
- Reviewed and initially assessed for Performance Measurement impacts to include:
 - Safety
 - Asset Management - Pavement
 - Asset Management – Bridge
 - National Highway System Performance Targets
 - Freight Movement: On Interstate System
 - Congestion Mitigation Air Quality (CMAQ) impacts
 - Transit Asset Management impacts
 - RTP Priority Investment Areas support
 - Climate Change/Greenhouse Gas reduction impacts
 - Congestion Mitigation Reduction impacts
- MPO responsibilities completion:
 - Completion of the required 30 day Public Notification period:
 - Project monitoring, fund obligations, and expenditure of allocated funds in a timely fashion.
 - Acting on behalf of USDOT to provide the required forum and complete necessary discussions of proposed transportation improvements/strategies throughout the MPO.

APPROVAL STEPS AND TIMING

Metro's approval process for formal amendment includes multiple steps. The required approvals for the February 2020 Formal MTIP amendment (FB20-08-FEB) will include the following:

<u>Action</u>	<u>Target Date</u>
● Initiate the required 30-day public notification process.....	January 28, 2020
● TPAC notification and approval recommendation.....	February 7, 2020
● JPACT approval and recommendation to Council.....	February 20, 2020
● Completion of public notification process.....	February 26, 2020
● Metro Council approval.....	February 27, 2020

Notes:

- * If any notable comments are received during the public comment period requiring follow-on discussions, they will be addressed by JPACT.

USDOT Approval Steps:

<u>Action</u>	<u>Target Date</u>
● Amendment bundle submission to ODOT for review.....	March 2, 2020
● Submission of the final amendment package to USDOT.....	March 3, 2020
● ODOT clarification and approval.....	Late March, 2020
● USDOT clarification and final amendment approval.....	Early April 2020

ANALYSIS/INFORMATION

1. **Known Opposition:** None known at this time.
2. **Legal Antecedents:** Amends the 2018-2021 Metropolitan Transportation Improvement Program adopted by Metro Council Resolution 17-4817 on July 27, 2017 (For The Purpose of Adopting the Metropolitan Transportation Improvement Program for the Portland Metropolitan Area).
3. **Anticipated Effects:** Enables the projects to obligate and expend awarded federal funds.
4. **Metro Budget Impacts:** None to Metro

RECOMMENDED ACTION:

JPACT recommends Metro Council approve for Resolution 20-5076 allowing the MTIP to add the new PE phase supporting project development activities for TriMet's Southwest Corridor Light Rail project.

- TPAC approval recommendation date: Friday, February 7, 2020
- JPACT approval date: Thursday, February 20, 2020

Attachments:

1. Metro Approved Resolution 17-4848 (Supporting proof of funding verification)
2. TriMet Capital Grant Revenue Bonds Series 2018A – Cover Pages (Supporting proof of funding verification)
3. FTA Project Development Initiation Approval Letter
4. TriMet Approved Resolution 18-09-66 supporting the Locally Preferred Alternative for the Southwest Corridor MAX Light Rail project
5. Southwest Corridor Light Rail Project Steering Committee Preferred Alternative Report – Summary Pages

Attachment 1: Approved Metro Resolution 17-4848

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF APPROVING AN)	RESOLUTION NO. 17-4848
INCREASED MULTI-YEAR COMMITMENT OF)	
REGIONAL FLEXIBLE FUNDS FOR THE)	Introduced by Chief Operating Officer Martha
YEARS 2019-34, FUNDING THE DIVISION		Bennett in concurrence with Council
TRANSIT PROJECT, THE SOUTHWEST		President Tom Hughes
CORRIDOR TRANSIT PROJECT, ARTERIAL		
BOTTLENECK PROJECTS, ACTIVE		
TRANSPORTATION PROJECTS, AND		
ENHANCED TRANSIT PROJECTS, AND		
AUTHORIZING EXECUTION OF AN		
AMENDMENT TO INTERGOVERNMENTAL		
AGREEMENT AMENDMENT WITH TRIMET		
REGARDING THE INCREASED MULTI-YEAR		
COMMITMENT OF REGIONAL FLEXIBLE		
FUNDS		

WHEREAS, Metro is the Metropolitan Planning Organization (MPO) for the Portland metropolitan region, authorized by the U.S. Department of Transportation to program federal transportation funds in the Portland region through the Metropolitan Transportation Improvement Program (MTIP);

WHEREAS, Metro is authorized by the Federal Highway Administration (FHWA) to allocate and program Surface Transportation Block Grant (STBG) and Transportation Alternatives Program (TAP) funds and by the Oregon Department of Transportation (ODOT) to sub-allocate and program federal Congestion Mitigation/Air Quality (CMAQ) funds in the MTIP that are allocated to the Portland metropolitan region by ODOT;

WHEREAS, TriMet is the authorized public transportation provider for the Portland region and is an eligible recipient of federal transportation funds through the MTIP;

WHEREAS, on June 16, 2016, as recommended by JPACT, the Metro Council adopted Resolution No. 16-4702, "For the Purpose of Adopting the 2018-2021 Metropolitan Transportation Improvement Program and 2019-2021 Regional Flexible Funds Allocation Policy Statement for the Portland Metropolitan Area," which resolution and policy statement sets forth how the region will identify and select transportation projects to receive federal transportation funds, including CMAQ funds as a portion of the regional flexible funds (the "RFFA Policy Statement");

WHEREAS, the RFFA Policy Statement supports committing federal transportation funds over years 2019-21 for the following purposes: (a) high-capacity transit regional bond commitments for the Division Street Project and the Southwest Corridor Project, (b) bond commitments for developing projects to address regional congestion bottlenecks and active transportation/Safe Routes to Schools projects, (c) region-wide programs, such as transit oriented development and corridor and systems planning, and (d) regional freight investments and active transportation/complete streets;

WHEREAS, JPACT has also requested a proposal for its consideration to provide funding for an "Enhanced Transit" program of on-street capital improvements to facilitate better bus service;

WHEREAS, pending resolution of how ODOT would resolve sub-allocation of CMAQ funds throughout the eligible areas of the state with two additional eligible areas established in 2016, a first phase allocation of funds was allowed to proceed through Metro Resolution 17-4800;

WHEREAS, ODOT has agreed to a new sub-allocation formula approach that stabilizes CMAQ funding levels for 2019 and beyond but reduces the amount of funding to the Portland metropolitan region from levels forecast during the original RFFA policy deliberations;

WHEREAS, the payment of RFFA revenues in Table 1 of Exhibit A to this resolution will accommodate the reduced amount of funding from the new CMAQ sub-allocation while providing bond proceeds for the purposes and amounts shown in Table 2 of Exhibit A;

WHEREAS, JPACT approved the revised payment schedule and amounts set forth in Table 1 and Table 2 of Exhibit A to this resolution on October 19, 2017; and

WHEREAS, TriMet anticipates issuing revenue bonds secured by the commitment of federal transportation funds set forth on Exhibit A, and an amended agreement between Metro and TriMet regarding these funds will facilitate borrowing by TriMet that pledge these increased funds; now therefore

BE IT RESOLVED that the Metro Council hereby:

- Approves the revised commitment of federal transportation funds recommended by JPACT and shown in Table 1 of Exhibit A; and
- Authorizes the execution of an amendment to intergovernmental agreement between Metro and TriMet, in a form approved by the Office of Metro Attorney and consistent with this Resolution, that incorporates the increased multi-year commitment of regional flexible funds shown in Table 1 of Exhibit A for the uses and amounts set forth in Table 2 of Exhibit A.

ADOPTED by the Metro Council this 2nd day of November, 2017.


Tom Hughes, Council President



Approved as to Form:


Alison R. Kean, Metro Attorney

Attachment 2: TriMet Capital Grant Revenue Bonds Series 2018A – Cover Pages

OFFICIAL STATEMENT DATED JANUARY 30, 2018

New Issue — Book-Entry-Only

RATINGS: (See “RATINGS” herein)

MOODY'S: A3

S&P: A

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to TriMet (“Bond Counsel”), under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Series 2018 Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Series 2018 Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals under the Code. In the opinion of Bond Counsel, interest on the Series 2018 Bonds is exempt from State of Oregon personal income tax under existing law. See “TAX MATTERS” herein for a discussion of the opinion of Bond Counsel.

\$113,900,000



TRI-COUNTY METROPOLITAN
TRANSPORTATION DISTRICT OF OREGON
CAPITAL GRANT RECEIPT REVENUE BONDS
SERIES 2018A

DATED: Date of Delivery

DUE: As Shown on Inside Cover

This Official Statement describes the Tri-County Metropolitan Transportation District of Oregon (“TriMet”) and its \$113,900,000 aggregate principal amount of Capital Grant Receipt Revenue Bonds, Series 2018A (the “Series 2018 Bonds”). The Series 2018 Bonds are being issued on parity with TriMet’s Capital Grant Receipt Revenue Bonds, Series 2011A (the “Series 2011A Bonds”) and Capital Grant Receipt Revenue Refunding Bonds, Series 2017A (the “Series 2017A Bonds”). The Series 2018 Bonds, together with the Series 2011A Bonds, the Series 2017A Bonds, and any series of additional Parity Bonds and any Parity Exchange Agreements that may be issued in the future under the Master Trust Agreement, are collectively referred to as the “Bonds.” The Series 2018 Bonds are special obligations of TriMet secured solely by a pledge of and a lien on the Pledged Property. The Pledged Property includes the Grant Receipts and all amounts credited to the Debt Service Account. The Grant Receipts consist of federal grant funds that are required to be paid to TriMet under intergovernmental agreements that have been pledged to pay the Bonds and federal grant funds that are due to TriMet under Section 5307 of Title 49, subtitle III, Chapter 53 of the United States Code, as that section may be amended from time to time, and any replacement federal funding programs. **The Series 2018 Bonds are not a general obligation of TriMet, and no other revenues or funds of TriMet are pledged as security for the payment of the Series 2018 Bonds.**

The Series 2018 Bonds are being executed and delivered pursuant to a Master Capital Grant Receipt Revenue Bond Trust Agreement dated as of June 1, 2005, as amended (the “2005 Master Trust Agreement”), between TriMet and Wells Fargo Bank, National Association, as trustee (the “Trustee”) and the Third Supplemental Trust Agreement dated as of February 1, 2018 (the “Third Supplemental Trust Agreement”), between TriMet and the Trustee. The Series 2018 Bonds are being issued to pay (i) costs of certain transit and transit supportive projects, (ii) capitalized interest, and (iii) the costs of issuing the Series 2018 Bonds.

Interest on the Series 2018 Bonds from the date of delivery is payable semiannually on October 1 and April 1 of each year, commencing April 1, 2018. The Series 2018 Bonds are subject to redemption prior to maturity as described herein.

The Series 2018 Bonds are being issued as fully registered bonds, registered initially in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). Purchases of beneficial interest in the Series 2018 Bonds will be made in book-entry form in denominations of \$5,000 and integral multiples thereof. Individual purchasers of Series 2018 Bonds will not receive physical delivery of bond certificates.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THE ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF ANY INFORMED INVESTMENT DECISION.

The Series 2018 Bonds are offered when, as and if issued, subject to prior sale, withdrawal or modification of the offer without notice, and subject to receipt of the approving opinion of Hawkins Delafield and Wood, LLP, Portland, Oregon, Bond Counsel to TriMet. Certain legal matters will be passed upon for TriMet by Shelley Devine, General Counsel to TriMet, and for the Underwriters by their counsel Orrick, Herrington & Sutcliffe LLP, Portland, Oregon. The Series 2018 Bonds are expected to be available for delivery through the facilities of DTC in New York, New York or to the Trustee, as agent for DTC for Fast Automated Securities Transfer, on or about February 6, 2018.

J.P. Morgan

Citigroup

\$113,900,000
TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON
CAPITAL GRANT RECEIPT REVENUE BONDS
SERIES 2018A

Due October 1	Principal Amount	Interest Rate	Yield	CUSIP [†] 89546R
2020	\$ 395,000	5.000%	1.800%	PF5
2021	410,000	5.000	1.950	PG3
2022	1,660,000	5.000	2.050	PH1
2023	1,730,000	5.000	2.200	PJ7
2024	1,785,000	5.000	2.370	PK4
2025	1,855,000	5.000	2.520	PL2
2026	1,930,000	5.000	2.650	PM0
2027	2,010,000	5.000	2.780	PN8
2028	12,620,000	5.000	2.870*	PP3
2029	13,235,000	5.000	2.930*	PQ1
2030	13,875,000	5.000	3.010*	PR9
2031	14,550,000	5.000	3.070*	PS7
2032	15,245,000	5.000	3.100*	PT5
2033	15,990,000	4.000	3.440*	PU2
2034	16,610,000	3.250	3.640	PV0

[†] CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services ("CGS") is managed on behalf of the American Bankers Association by S&P Capital IQ. Copyright© 2018 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of TriMet, the Underwriter or their agents or counsel assume responsibility for the accuracy of such numbers.

* Priced to the call date of April 1, 2018

Attachment 3: FTA Project Development Initiation Approval Letter

U.S. Department
Of Transportation
**Federal Transit
Administration**

Headquarters

1200 New Jersey Avenue S.E.
Washington DC 20590

FEB 13 2019

Mr. Doug Kelsey
General Manager
Tri-County Metropolitan Transportation District of Oregon (TriMet)
1800 SW 1st Avenue, Ste 300
Portland, OR 97201

Re: Project Development Initiation – Southwest Corridor Light Rail Transit

Dear Mr. Kelsey:

Thank you for your letter, dated December 14, 2018, requesting entry into the New Starts Project Development (PD) phase under the Federal Transit Administration's (FTA) Capital Investment Grants (CIG) program for Tri-County Metropolitan Transportation District of Oregon's (TriMet) Southwest Corridor Light Rail Transit (LRT) project. After reviewing your initial letter, FTA requested additional information that was submitted on January 28, 2019. FTA determined that the information provided at that time was sufficient to enter the PD phase.

Please note that TriMet undertakes the PD work at its own risk, and that the project must still progress through further steps in the CIG program to be eligible for consideration to receive CIG funding.

In accordance with Federal public transportation law at 49 U.S.C. 5309(d)(1)(ii)(I), the following activities must be completed during PD:

- Select a locally preferred alternative;
- Have the locally preferred alternative adopted into the fiscally constrained long-range transportation plan;
- Complete the environmental review process; and
- Complete the activities required to develop sufficient information for evaluation and rating under the CIG criteria.

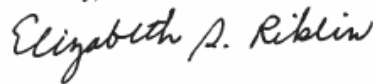
FTA encourages you to familiarize yourself with the information found on the CIG program webpage at <https://www.transit.dot.gov/funding/grant-programs/capital-investments/about-program>. There you will find more details and information on the activities mentioned above including answers to frequently asked questions and the information that must be provided to FTA for eventual project evaluation and rating.

FTA will be in contact to discuss its technical assistance and project oversight plans as the project moves through PD. FTA would appreciate periodic updates from TriMet on the status of completion of PD activities.

With this entry into PD, TriMet has pre-award authority to incur costs for PD activities prior to grant approval and to retain eligibility of those activities for future FTA grant assistance. PD activities include the work necessary to complete the environmental review process and as much engineering and design activities as TriMet believes are necessary to support the environmental review process. Upon completion of the environmental review process, FTA extends pre-award authority to project sponsors in PD to incur costs for as much engineering and design as necessary to develop a reasonable cost estimate and financial plan for the project, utility relocation, and real property acquisition and associated relocations. This pre-award authority does not constitute a commitment that future Federal funds will be approved for PD or any other project cost. As with all pre-award authority, relevant Federal requirements must be met prior to incurring costs in order to preserve eligibility of the costs for future FTA grant assistance.

If you have any questions or comments, please contact Faisal Chowdhury at 202-366-9851 or Faisal.Chowdhury@dot.gov.

Sincerely,



Elizabeth S. Riklin
Acting Associate Administrator for Planning
and Environment

cc: Linda M. Gehrke, Regional Administrator, FTA Region X

Attachment 4:
TriMet Approved Resolution 18-09-66 supporting the Locally Preferred Alternative for the Southwest Corridor MAX Light Rail project



Memo

Date: September 26, 2018

To: Board of Directors

From: Doug Kelsey 

Subject: RESOLUTION 18-09-66 OF THE TRI-COUNTY METROPOLITAN
TRANSPORTATION DISTRICT OF OREGON (TRIMET)
RECOMMENDING CONFIRMATION OF THE LOCALLY PREFERRED
ALTERNATIVE FOR THE SOUTHWEST CORRIDOR LIGHT RAIL
TRANSIT PROJECT

1. Purpose of Item

The purpose of this item is to request that the TriMet Board of Directors (Board) approve a resolution recommending that the Metro Council adopt the Locally Preferred Alternative (LPA) for the Southwest Corridor Light Rail Transit project (Project).

2. Type of Agenda Item

- ☐ Initial Contract
☐ Contract Modification
☒ Other: LPA Recommendation

3. Reason for Board Action

Metro Council requests endorsement by TriMet and other local jurisdictions before adopting the LPA for the Project. Demonstration of local support for the Project by TriMet and local jurisdictions is very important for moving the Project forward into the Project Development phase. Such support is necessary because it both ensures consensus for the Project at the local level and demonstrates to the Federal Transit Administration (FTA) that there is local consensus and support for the Project. This action selects an alignment that will be further studied in the federal environmental review process, and eliminates other alignments from future study.

4. Type of Action

- ☒ Resolution
☐ Ordinance 1st Reading
☐ Ordinance 2nd Reading
☐ Other _____

5. Background

The proposed Project would construct a light rail line from downtown Portland to Tigard and Bridgeport Village in Tualatin, along with other transportation improvements, including roadway, bicycle, and pedestrian projects. The Project has an extensive history. In June 2010,

Metro adopted the High Capacity Transit System Plan, which named the Southwest Corridor as the region's highest transit priority. In December 2011, the Southwest Corridor Plan Steering Committee (Steering Committee) was formed, which includes representatives from Sherwood, Tualatin, King City, Tigard, Durham, Beaverton, Lake Oswego, Portland, Multnomah and Washington Counties, ODOT, TriMet and Metro. In 2013, each of the Steering Committee members expressed formal support for the Southwest Corridor Shared Investment Strategy, a document that brings together local land use, transportation and community-building projects already advanced in project partners' plans that support development consistent with the future land use vision for the corridor.

In June 2014, the Steering Committee unanimously adopted the *Southwest Corridor Transit Design Options*, which were then adopted by Metro, and in December 2014 the Steering Committee directed staff to implement an 18-month work plan for the focused refinement of the *Southwest Corridor Transit Design Options* using a place-based approach to narrow alignment options and select a preferred transit mode and terminus. In June 2016, the Steering Committee endorsed a *Southwest Corridor High Capacity Transit Proposed Range of Alternatives for Environmental Review* that describes the high capacity transit mode, preferred terminus, and transit alignments, as well as associated roadway, bicycle, and pedestrian projects.

In August and September 2016, Project staff held a public scoping process for the federal environmental impact study to solicit public and agency comments on the *Proposed Range of Alternatives for Environmental Review*, prior to commencing work on the Draft Environmental Impact Statement (EIS). In July 2016 the Metro Council endorsed the *Southwest Corridor High Capacity Transit Proposed Range of Alternatives for Environmental Review*, and the Southwest Corridor Equitable Development Strategy was initiated to ensure that housing, jobs, and learning opportunities are available to a diverse range of people and incomes as investments occur in the corridor.

In June 2018, the *Southwest Corridor Light Rail Project Draft Environmental Impact Statement* was published, followed by a 45-day public comment period. During the comment period, approximately 1,015 comments were submitted via the internet, emails, and letters, or at one of 33 hearings, open houses, information sessions, and other meetings that were held. In July 2018, the Southwest Corridor Community Advisory Committee, which represents businesses, community groups, and institutions in Portland, Tigard, Tualatin, and Washington County, and which met monthly since February 2017, provided a consensus recommendation for a light rail alignment in the corridor. On August 13, 2018, the Project Steering Committee made recommendations for a Preferred Alternative including the mode of transportation, alignment, and station locations, which are described in the LPA.

The Project would provide much-needed fast, reliable transit service to the Southwest Corridor. The corridor currently has 11 percent of the Portland Metropolitan region's population and 26 percent of the region's employment, and about 23,800 people commute between Portland and Tigard/Tualatin for work. Further, as the Portland region continues to grow by a projected 500,000 people and 365,000 jobs by 2035, the corridor is projected to grow as well, by 70,000 people and 65,000 jobs by 2035. Transit demand in the corridor is projected to grow by over 70 percent in that time. Given the high levels of congestion in the corridor today, which is expected to grow to 13 to 17 hours of congestion per day on I-5 between Portland and Tigard

by 2035, additional transit options are essential, and the Project is projected to carry 43,000 daily weekday light rail riders in 2035.

The LPA for the Project generally includes the following:

- Twelve miles of light rail between Portland and Tualatin via Tigard, running primarily at grade but including up to 2.6 miles of elevated trackway or bridges and up to four cut-and-cover undercrossings;
- Up to 13 light rail stations;
- Up to seven park and rides with up to 4,200 parking spaces;
- Two relocated or reconfigured transit centers;
- Up to 32 light rail vehicles;
- Up to two miles or shared transitway to allow express use by buses to and from downtown Portland;
- A shuttle route connecting Portland Community College Sylvania to nearby light rail stations;
- A new operations and maintenance facility for light rail vehicles; and
- Roadway improvements and modifications, including the addition or reconstruction of bicycle lanes and sidewalks.

The Project Steering Committee has recommended that the Board recommend that Metro adopt the LPA.

6. Financial/Budget Impact

The Project will be funded by many different sources. These are expected to include a federal Full Funding Grant Agreement with FTA as well as local funding sources including TriMet, City of Portland, ODOT, Washington County, and regional flexible funds, plus money from a regional bond measure which will appear on the ballot in November 2020.

7. Impact if Not Approved

The City of Tualatin has already endorsed the LPA, and the City of Tigard, City of Portland, and Washington County are expected to endorse it by October 10, 2018. The Metro Council is expected to adopt the LPA in November. Failure to recommend confirmation of the LPA could significantly slow the Project, jeopardizing optimal timing to seek federal funding for Project construction.

RESOLUTION 18-09-66**RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) RECOMMENDING CONFIRMATION OF THE LOCALLY PREFERRED ALTERNATIVE FOR THE SOUTHWEST CORRIDOR LIGHT RAIL TRANSIT PROJECT**

WHEREAS, TriMet is authorized by Oregon statute to plan, construct, and operate fixed guideway light rail systems; and

WHEREAS, on June 1, 2018, Metro, TriMet and the Federal Transit Administration (FTA) published the Southwest Corridor Light Rail Project Draft Environmental Impact Statement (the Southwest Corridor DEIS), evaluating light rail alignment options from downtown Portland through Tigard to a terminus near Bridgeport Village in Tualatin; and

WHEREAS, the public was invited to comment on the Southwest Corridor DEIS during the public comment period from June 1, 2018 through July 16, 2018, and comments received during the comment period, including at hearings, open houses, information sessions, and via letter, email, and online, are documented in the *Southwest Corridor Light Rail Project DEIS Public Comment Report* dated June 1, 2018 with comments favorable toward light rail and mostly favorable toward the alignment, stations and terminus proposed; and

WHEREAS, the Southwest Corridor Steering Committee and the City of Tualatin have recommended, and the City of Tigard, City of Portland, and Washington County have scheduled actions to recommend, that the Locally Preferred Alternative (LPA) for the Southwest Corridor Light Rail project be confirmed;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Board of Directors recommends to Metro Council the adoption of a resolution confirming the LPA of light rail on the Southwest Corridor Light Rail Project as shown in Exhibit A.
2. That the General Manager is authorized to request authority from FTA to enter into Project Development in support of light rail on the Southwest Corridor Project.

Dated: September 26, 2018

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department

Attachment 5:
Southwest Corridor Light Rail Project
Steering Committee Preferred Alternative Report – Summary Pages



Southwest Corridor Light Rail Project
Steering Committee Preferred Alternative Report

1. RECOMMENDATION

This report presents the Southwest Corridor Steering Committee's recommended Preferred Alternative for the proposed Southwest Corridor light rail project. The Preferred Alternative must include the transit mode (light rail), route, stations and termini.

Summary of alignment chosen

This recommendation represents a commitment to identifying a cost-effective transit project that extends from downtown Portland to Bridgeport Village and meets the adopted project Purpose & Need. It is based on the project staff recommendation, analysis documented in the *Southwest Corridor Light Rail Project Draft Environmental Impact Statement (EIS)*, input from the public and agencies, and also takes into consideration the Federal Transit Administration's (FTA) rating criteria for large transit projects.

The recommended Preferred Alternative is shown on Figure 1 and includes the following alternatives and refinements described in the Draft EIS:

- Alternative A1, Barbur
- Alternative B2, I-5 Barbur Transit Center to 60th
 - Refinement 2, Taylors Ferry I-5 Overcrossing, which modifies Alternative B2*
 - Refinement 4, Barbur Undercrossing, which modifies Alternative B2
- Alternative C2, Ash to Railroad
 - Refinement 5, Elmhurst, which modifies Alternative C2
 - Refinement 6, Tigard Transit Center Station East of Hall, which modifies Alternative C2

*The committee recommends a preference for Refinement 2, but with Alternative B2 as studied in the Draft EIS, or a modification of either, remaining in consideration.

In addition, the committee directs staff to continue to work together to evolve and finalize the work plan for further design and environmental review, keeping members of this or a subsequent steering committee informed on its progress and contents. If the design and environmental review finds a "fatal flaw" with any project component, staff will present the issue to TriMet's future project steering committee for guidance.

This Preferred Alternative would provide a number of benefits to the SW Corridor and the Portland region. These include:

- Providing a reliable, fast travel option between Bridgeport, Tigard, SW Portland and downtown Portland that will maintain its travel time even as the population grows by 70,000 in the corridor by 2035.
- Serving a projected 43,000 average weekday riders in 2035.
- Carrying 1 in 5 southbound commuters leaving downtown Portland in the PM peak in 2035.
- Connecting existing and future jobs and homes, along with Portland State University (PSU), Oregon Health & Science University (OHSU), National University of Natural Medicine (NUNM) and Portland Community College-Sylvania (PCC).
- Providing a new transit “backbone” for the local bus system in southeastern Washington County, including new transit centers and park and rides to enable people to easily switch between travel modes.
- Creating a new pedestrian connection to the jobs, medical services and educational opportunities on Marquam Hill at OHSU, the Veterans Administration and Shriners hospitals.
- Creating an improved bike and pedestrian link to PCC Sylvania campus and a quick shuttle connection between the campus and MAX.
- Building a shared transitway in South Portland to allow buses from Hillsdale to bypass congestion to more quickly reach downtown Portland, and vice versa.
- Building continuous sidewalks and bike lanes where light rail would be located within an existing roadway, such as on SW Barbur Boulevard and SW 70th Avenue.
- Creating the required transportation infrastructure to support local and regional plans such as the Tigard Triangle Strategic Plan, Barbur Concept Plan and 2040 Growth Concept. These plans aim to accommodate continued population and job growth without a proportionate increase in traffic congestion by supporting transit-oriented development.

Implications

The Preferred Alternative will be evaluated in the Final EIS, which will document the significant beneficial and adverse effects of the project, commit to mitigation strategies and document their effects, and respond to comments submitted on the Draft EIS. Appropriate review and analysis of the Preferred Alternative will also be undertaken under Sections 106, 4(f), 6(f) and 7, which address historic resources, parks and endangered species.

This recommendation would end further analysis of Alternatives A2-BH (Naito with Bridgehead Reconfiguration), A2-LA (Naito with Limited Access), Design Refinement 1, B1 (Barbur), B3 (I-5 26th to 60th), B4 (I-5 Custer to 60th), C1 (Ash to I-5), C3 (Clinton to I-5), C4 (Clinton to Railroad), C5 (Ash and I-5 Branched) and C6 (Wall and I-5 Branched), as well as Refinement 3 (I-5 Undercrossing). This recommendation would also end further work on aspects of Alternative B2: a new light rail bridge near the Portland/Tigard city boundary crossing over I-5 and Pacific Highway to enter the Tigard Triangle, and

traveling adjacent to SW Atlanta Street to connect to SW 70th Avenue; and of Alternative C2: the east-west alignments along SW Beveland Street and SW Ash Avenue.

Further action recommended

In preparation for the Final EIS, the Steering Committee directs staff to continue work to identify ways to avoid, minimize, or mitigate the adverse effects documented in the Draft EIS, including:

- The relocation of households and businesses along the alignment. TriMet will update designs to avoid or minimize property effects but when that is not possible then property owners, tenants and businesses will receive fair market financial compensation and relocation assistance.
- Increased traffic congestion and queuing at several locations throughout the corridor. Additional traffic analysis will be performed where necessary, including at highway ramp terminals, park and ride accesses, and at-grade light rail crossings of streets. Specific locations may include:
 - South Portland in the vicinity of the Bridgehead Reconfiguration
 - The Barbur/Bertha/I-5 off-ramp
 - The Crossroads area in the vicinity of Refinement 2
 - Downtown Tigard in the vicinity of Refinement 6
 - The SW Upper Boones Ferry at-grade crossing area, with consideration of a grade-separate crossing
 - The greater Bridgeport area
- Routing over wetlands and floodplains in Tigard, and the generation of additional storm water runoff. These effects must be mitigated to levels that meet federal and local requirements.
- Various effects on historic resources and public parks, largely in South Portland. These properties receive special federal protection and extra public engagement and analysis will be undertaken on these impacts.
- Tree removal along the route, particularly in Segment A.

Design work on the Preferred Alternative should also address detailed questions relating to station locations and designs, park and rides, station connections and other issues.

The Southwest Corridor Equitable Development Strategy should continue to explore policy options and investments to address the potential for existing and future displacement, including its current funding of pilot programs to promote housing and workforce development options in SW Corridor.